

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1756

IN THE MATTER OF:

Served October 13, 1977

Application of RIDGLEY COACH
CORPORATION for Temporary
Authority to Conduct Charter
Operations Pursuant to
Contract - U.S.D.A.

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Application No. 1014

By application filed September 26, 1977, Ridgley Coach Corporation seeks temporary authority to conduct charter operations, over irregular routes, between South Agriculture Building, 12th Street and Independence Avenue, S. W., Washington, D. C., and Rosslyn Plaza - Building "E", 1621 North Kent Street, Arlington, Va., pursuant to a contract with the United States Department of Agriculture (U.S.D.A.). */ The service would be restricted to pickup and discharge at the named termini and further restricted to the transportation of employees of U.S.D.A. Forest Service. Applicant also proposes to transport mail.

The proposed service would require one bus running a total of 15 round-trips between 8 a.m. and 5 p.m., each weekday (presumably, except holidays) during the period October 1, 1977, through September 30, 1978. Applicant would charge \$17.50 an hour and estimates that a total of 2010 hours would be required over the term of the contract. In support of its application, Ridgley Coach Corporation asserts merely that its annualized bid was \$4,743 lower than that of the next lowest authorized carrier, The Gray Line, Inc.

On September 27, 1977, The Gray Line, Inc., filed a protest to the application asserting that it stands ready, willing and able to provide the proposed service.

Title II, Article XII, §4(d)(3) of the Compact authorizes the Commission to grant temporary authority, in its discretion and without hearings or other proceedings, if it appears (a) that there is an immediate and urgent need for the proposed transportation service, and (b) that there is no carrier service capable of meeting such need. We find that applicant has failed to satisfy the second concurrent criterion and that the application, perforce, must be denied.

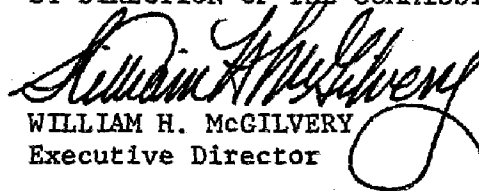
The Gray Line, Inc., stands ready to provide the same service proposed by applicant, and the only apparent difference between the two operations is the bid price. Applicant contends that a grant of the

*/ No copy of the contract was filed with the application.

application would serve the public interest inasmuch as the proposed service would then be performed at a lower cost. This argument, however, is extraneous to the questions at hand. It is well-settled that, in considering an application for operating authority, the issue of rates has no bearing unless it is shown that the rates of existing carriers are so high as to constitute an embargo. See Order No. 1671, served April 13, 1977. This principle dates back to the earliest days of motor carrier regulation. Cf. Fleet Transport Co., of Ky., Inc., Extension-Nashville, 88 M.C.C. 762, Malone Freight Lines, Inc., Extension-Textiles, 61 M.C.C. 501, and Wellspeak Common Carrier Application, 1 M.C.C. 712. We believe that this principle is especially pertinent in temporary authority proceedings where, as here, no evidence regarding cost or price reasonability has been submitted. Applicant has not even alleged that the rates proposed by protestant are so high as to constitute an embargo, and the evidence of record affords no basis for a sua sponte determination that an embargo exists.

THEREFORE, IT IS ORDERED that Application No. 1014 of Ridgley Coach Corporation be, and it is hereby, denied.

BY DIRECTION OF THE COMMISSION:


WILLIAM H. MCGILVERY
Executive Director